

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

First Named
Inventor : Mark W. Bergman
Appln. No. : 10/370,691
Filed : December 8, 2003
Title : HAND-HELD VESSEL

Docket No. : B787.12-0008

Group Art Unit: 1762
Examiner: Bareford,
Katherine A.

DECLARATION UNDER RULE 132

Commissioner For Patents
P.O. Box 1450
Alexandria, VA 22313-1450

I CERTIFY THAT THIS PAPER IS BEING SENT BY U.S. MAIL,
FIRST CLASS, TO THE ASSISTANT COMMISSIONER FOR
PATENTS, ALEXANDRIA, VA 22313, THIS _____ DAY OF

_____, 2005.

PATENT ATTORNEY

I, Mark W. Bergman, hereby declare as follows:

1. I developed a paint container that includes a flexible strap for allowing a person to easily hold the container. The strap is flexible enough so that a person may insert his or her hand between the strap and the wall of the container. The strap comfortably fits around the person's hand to urge the person's hand against the wall of the container. This allows a person to hold the container for extended periods of time and reduces hand cramps, which typically occur when grasping paint containers for long periods. In fact, the hand cramping is what inspired me to develop my idea for the paint container with the flexible strap. As such, the container I developed and the method of using the container come within the scope of each of the independent claims of the originally-filed application, and each of the pending independent claims of the current application.

2. The current application is a divisional of U.S. Patent Application No. 09/961,090, which was filed on September 21, 2001, and issued as U.S. Patent No. 6,708,838. The '090 application has priority based on U.S. Provisional Application Nos. 60/234,617, filed September 22, 2000; 60/262,165, filed January 16, 2001; and 60/287,332, filed on April 30, 2001.

3. I am the founder and chief manager of Bercom International, LLC ("Bercom"), a limited liability company organized and existing under the laws of the State of Minnesota, which until February 15, 2002, was formerly known as Harber Supply Company, LLC. Bercom is the assignee of the current application.

4. Bercom currently sells my developed paint container under the trade designation "HANDy Paint Pail", where the name HANDy Paint Pail is a play-on-words reference to the strap feature I developed to eliminate hand cramping. An advertisement of the HANDy Paint Pail container is provided in Appendix A. The HANDy Paint Pail container is used by a person sliding his or her hand between the flexible strap and the outer surface of the container. The flexible strap urges the hand against the outer surface of the container, which stabilizes the container with respect to movement of the hand. This also reduces cramping and fatigue in the hand while holding the container. The flexible strap of the HANDy Paint Pail container is also removably connectable to the bottom wall of the container to adjust the length of the strap to accommodate different hand sizes.

5. I have received positive feedback from numerous consumers regarding the strap feature of the HANDy Paint Pail container and how it is easy to use and reduces hand fatigue. The testimonials provided in Appendix B are actual comments I have received about the HANDy Paint Pail container.

6. Bercom began shipping the HANDy Paint Pail container in February 2002 after incurring initial expenditures of about \$300,000 for tooling, packaging, shipping, and start-up costs. By the end of 2002, Bercom unexpectedly sold 170,000 HANDy Paint Pail containers through various retailers, with sales topping \$800,000. As such, Bercom received more than 2½ times its initial expenditures for the HANDy Paint Pail containers in the first ten months on the market.

7. In 2003, Bercom sales jumped to 380,000 HANDy Paint Pail containers. In that year, Bercom's revenue was \$2.3 million, where about 75% of the revenue was attributed to the sale of the HANDy Paint Pail containers (the remaining 25% was attributed to plastic disposable liners used with the HANDy Paint Pail containers). As such, in about two years from the initial sale, Bercom grossed about \$2.3 million in sales, primarily due to sales of the HANDy Paint Pail containers. This

information was published in a June 6, 2004 article from the Minneapolis Star Tribune newspaper, which is provided in Appendix C. Following the same trend, Bercom sold 700,000 HANDy Paint Pail containers in 2004.

8. The HANDy Paint Pail container was also the recipient of the following awards and recognitions:

- a. 2002 Consumer Products Silver winner in the Industrial Design Society of America's (IDSA) and Business Week Magazine's annual Industrial Design Excellence Awards (IDEA). The judging criteria for IDEA awards are based on innovation (i.e., new and unique products), aesthetics, user benefits, ecological responsibility, and business improvements.
- b. 2002 Member Tested and Recommended Seal from Handyman Club of America.
- c. 2003 Member's Choice Award from Do-It-Best Corporation.
- d. 2003-2004 Dealers' Pick for Outstanding New Item Award from the Hardware Conference.
- e. 2004 Product of the Year from The Sherwin-Williams, which is one of the world's largest producers of paints and coatings.
- f. 2005 Creative Home Arts Member Tested Seal of Approval from Home Arts.


10. The HANDy Paint Pail container is currently being sold throughout the United States from a variety of well-established retailers, such as Ace Hardware stores, The Sherwin-Williams stores, True Value Hardware stores, Do-It-Best stores, and in over 1,700 The Home Depot stores.

I declare that all statements made herein of my own knowledge are true, and that all statements made on information and belief are believed to be true; and further, that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

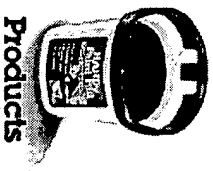
MARK W. BERGMAN

A handwritten signature in cursive script, reading "Mark W. Bergman", written over a horizontal line.Date: 4-19-05

APPENDIX A (page 1 of 1)



Painting just got easier!



Painting is easy with the HANDY Paint Pail!

The HANDY Paint Pail was designed to make your painting projects a breeze! Ruggedly constructed for both professional and do-it-yourself painters, the HANDY Paint Pail will withstand years of use, is solvent resistant and works with any paint or stain. The HANDY Paint Pail is easy to clean and makes wash-ups fast and effortless. Also, check out the HANDY Paint Pail Liners and Disposable Paint Pail Covers!

Magnetic Holder
The convenient magnet holder keeps your brush wet and in place while moving around, reducing the risk of dripping paint.

Adjustable Strap
The sturdy adjustable strap reduces hand fatigue, and even straps right onto your belt for hands-free use.

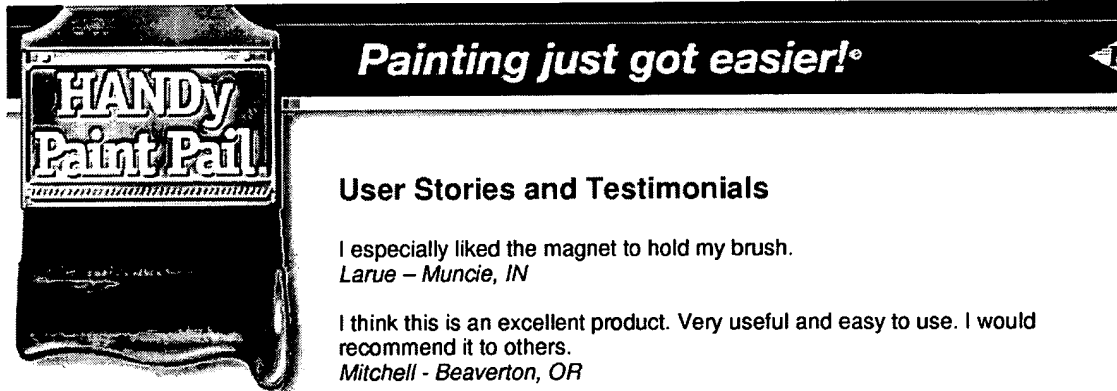
Paint Scraper
The paint scraper reduces paint waste and helps prevent dripping down the side of the pail. Resulting in a mess free project!

Handy Paint Pail and Accessories
Original HANDY Paint Pail
Paint Pail Liners
Disposable Covers

Products

MADE IN AMERICA

APPENDIX B (page 1 of 2)



User Stories and Testimonials

I especially liked the magnet to hold my brush.
Larue – Muncie, IN

I think this is an excellent product. Very useful and easy to use. I would recommend it to others.
Mitchell - Beaverton, OR

The paint holder worked very well. It held enough paint to do a good job without having to fill it often. The strap for your hand was very comfortable and I was able to climb a ladder while holding it.
Paulette – Laurel, IN

The HANDy Paint Pail is a lot better than having to constantly worry about knocking a paint tray off of a ladder. The brush scraper is very handy and keeps the paint from running over the outside. This product is very good for someone who has arthritis.
Cheryl – East Bend, NC

This paint holder is an excellent idea; it is just the right size to hold.
Kathleen – Sussex, NJ

Why didn't someone come up with this a long time ago? The brush magnet is wonderful. It is comfortable hanging on to it for over an hour doing my project. I will definitely get a lot of use out of this.
Ruth – Whittemore, IA

Light and easy to hold – no tired arms.
Carolyn – Lavonia, GA

I recommend this product to anyone who has back problems and wants to do painting in a room without wearing herself out.
Susan – Chula Vista, CA

The belt attachment and magnet make it easy to go up and down ladders frequently.
Kevin – Ballwin, MO

Excellent for trim work when attached to a belt both on and off a ladder. Much easier than holding a conventional bucket. The magnetic brush holder is both powerful and convenient. I have 96 apartments that are on a continuous paint cycle; I wouldn't give up this paint pail for anything.
John – Port Royal, SC

Magnet was great even after finished painting – was able to hang brush to dry.
Celeste – Cape Coral, FL

Due to arthritis in my hand it has been getting harder to hold my paint pot while painting. This product makes it very easy and comfortable to paint for hours. Easy Cleanup
Elizabeth – Lagrange, ME

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I have been a professional painter for over 20 years. Since I am the guy with the fastest, cleanest cutting line, I always do the lion's share of line cutting on jobs. Sometimes that puts me high up on extension ladders, or low down on my back underneath built-in cabinets and deep shelves. When I first encountered the Handy Paint Pail I was about to do a difficult interior job in nearby Carmel, before even using it I was immediately struck by how much sense it made. I bought two on the spot, one for me and another for my painting partner.

I have been using the HANDY Paint Pail for a full year in all kinds of conditions and positions, with all kinds of paints. I just love this invention. My assessment is this has (1) sped up my paint application production, (2) with almost zero drippage, (3) allowed easier and (4) safer painting in difficult places (like high up on extension ladders), (5) permitted me longer painting time endurance and less fatigue before needing to take breaks - giving my paint pail holding hand and fingers less stress (nice soft strap for the back of the hand, and good hand fit). And yes, I have used it a few times on the belt and it has worked just fine. Since I am ambidextrous and often need to switch hands, (6) the HPP lets me quickly snap my brush onto the magnet, pass the pail to the free hand, and resume painting using my other hand.

When up high on a ladder, it increases the safety factor, as I can concentrate more on balance and cut line. I can quickly snap the brush onto the magnet and go up and down the ladder with one hand free to climb.

I'm a very happy customer. Its hard to believe one single HPP has lasted this long. Finally, a local store in my area will be carrying the HPP, so I can finally buy another couple just to have on hand just in case numero uno ever needs replacement.

Hey, just yesterday, with my trusty HPP in hand with dark blue paint, I perfectly cut over 500 feet of trim tightly abutting old expensive golden linen sash in the old Art Deco Balboa Theater in San Francisco in under 6 hours. Because of the Handy Paint Pail, simply put, "painting has gotten easier" for me for over a year - so your trademark tells the truth!

Thanks much, and best regards,

Bill - Kentfield, CA

Age 49, Professional Painting and Faux since 1978.

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Last update: June 5, 2004 at 3:12 PM

Youngblood: More than just a few dribs and drabs

Dick Youngblood, Star Tribune

June 6, 2004 BLOOD0606

Mark Bergman took a one-pound coffee can and a roll of duct tape two years ago and transformed them into a business that grossed nearly \$2.3 million last year.

And what with Home Depot signing on as a nationwide customer early this year, he figures 2004 sales should nearly triple.

That sound you hear is me slapping myself upside the head in undisguised fits of envy.

Bergman, 47, is founder of Bercom International, a Chaska company that peddles the invention, a quart-sized paint container large enough to accept a 3-inch brush and equipped with a hand strap and a disposable plastic liner.

He calls it the Hand-y Paint Pail, a play-on-words reference to the strap feature he developed to eliminate the cramping we've all encountered from holding a paint-filled coffee can for long periods. In fact, a cramp that struck while he was painting a bedroom in his Minnetonka home late in 2000 inspired the idea.

"After holding a Folgers can for a while, my hand started to hurt," Bergman said. "So I got a roll of duct tape and fashioned a strap I could put my hand through." At the same time he taped a lip to the inside edge of the can to act as a scraper for excess paint, a feature incorporated into the final design.

"I showed it to a few friends, and they all could relate to the cramping problem," he said. Thus encouraged, he applied for patents in the United States and Europe and went to work developing a prototype.

The result is a two-piece design that includes a hard plastic container and a strap-and-collar arrangement made out of flexible PVC that contains a magnet to hold the brush out of the paint. The simple construction helps hold the retail price to \$8 to \$10.

Bergman later introduced the disposable liners to simplify the cleanup

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process.

Made from recycled plastic and sold in four-packs for 75 cents apiece, they contributed about a quarter of his 2003 sales. Earlier this year he also added thin polyethylene-and-elastic covers that sell for 50 cents each.

The Hand-y pail isn't the first of his remunerative inspirations. Indeed, the two patents he holds on the paint pail represent just 20 percent of the total acquired during an entrepreneurial career that includes two other business startups.

In 1986, he and partner Dan Harris started Harber Inc. to make and market the kiddies' spoons Bergman had dreamed up with handles shaped like airplanes, race cars and trains. Later, the company added "Shoe Boppers" -- cord clamps designed in various shapes to secure shoelaces without tying. Altogether, these products account for eight other patents.

Sales peaked at about \$2.5 million in 1994, but then retailers began buying slightly different designs directly from manufacturers, forcing the business to close by 2000. By then, the partners had started Harber Industries Inc., a bindery and die-cutting service for the area's printing industry. Bergman sold his share of the company to Harris in 1999, when sales were about \$1.5 million.

All of which left him free to pursue his fancy paint pail idea. In September 2001, with the design completed, he raised \$250,000 from family, friends and a private investor to finance tooling, packaging and startup costs. He began shipping product in February 2002 with the help of a \$50,000 credit line from Great Northern Bank in St. Michael that was approved before he'd made a single sale.

Appeal underestimated

"It's a revolutionary idea that made perfect sense," Great Northern Chairman Peter Alworth said. "And Mark Bergman is an excellent salesman; we knew he could sell it."

He was right: Sales in just 10 months of 2002 topped \$800,000, thanks in part to the support of Dave Gerber, a product manager for the Hirshfield's chain of decorating centers. Gerber thought enough of Bergman's idea to promise to stock the product in the company's 27 paint stores even before the design process was completed.

Why? "I was slapping my forehead just like you," Gerber said. "It looked like a great idea." Even so, he confessed that he underestimated the appeal: "I figured we'd sell a few hundred the first year; we wound up selling several thousand."

Bergman also signed up a dozen manufacturer's reps who have sold the Hand-y pail into about 8,000 locations, including many of the True Value and Ace Hardware stores and all of the Menards and Sherwin-Williams outlets. But he made the biggest score himself.

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"I made four trips to Home Depot headquarters in Atlanta before they finally agreed to test the product in 300 of their Midwest stores," Bergman said. The test ended in March, when the company agreed to carry the Hand-y pail in all 1,700 Home Depots nationwide.

With Home Depot on board, Bergman figures sales this year will easily top \$6 million. But just to make sure, he's designing a larger, professional model that will hold a half-gallon of paint and accept up to a 4-inch brush. The larger model includes a ladder hook and a built-in grid to accommodate a 4-inch roller.

The gadget comes with a logical, albeit unpublished piece of advice: "It's a good idea not to hold it in your watch hand, just in case somebody asks you for the time," Bergman said.

Dick Youngblood can be reached at 612-673-4439 or at yblood@startribune.com.

Bercom International

Business: Manufactures the Hand-y Paint Pail, which includes a hand strap designed to eliminate the cramps often encountered from holding paint-filled coffee cans. Bercom also offers disposable liners for easy cleanup, a built-in magnet to hold the brush out of the paint, and other features.

Founded: 2001

Headquarters: Chaska

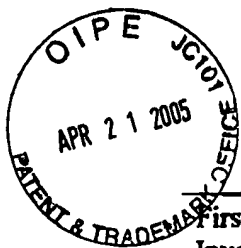
Executive: Founder Mark Bergman

2003 revenue: \$2.3 million

Web site: www.handypaintpail.com

RAIL ITEM:

Mark Bergman took a one-pound coffee can and a roll of duct tape and transformed them in two years into a business that grossed \$2.3 million in 2003 -- headed for a projected \$6 million or more in 2004.



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

First Named Inventor	: Mark W. Bergman	Group Art Unit: 1762 Examiner: Bareford, Katherine A.
Appln. No.	: 10/730,691	
Filed	: December 8, 2003	
Title	: HAND-HELD VESSEL	
Docket No.	: B787.12-0008	

DECLARATION UNDER RULE 132

Commissioner For Patents
P.O. Box 1450
Alexandria, VA 22313-1450

I, Alvin Preyer, hereby declare as follows:

1. I am currently employed at Meehan & Nolan Associates, which is a company in Boston, MA that provides services to third parties in the painting industry. I manage the in-store service, manufacturer representative services, and consulting services for Meehan & Nolan Associates, and have been a manufacturers' representative for Bercom International, LLC ("Bercom") since the spring of 2003. I have worked in the painting industry for about 25 years. While working with Meehan & Nolan Associates, I typically see about 100 new product ideas for the painting industry each year.
2. Prior to my employment at Meehan & Nowlan, I worked for over 20 years with Shur-Line, Inc. in Lancaster, NY. Shur-Line manufactured and sold a wide variety of painting tools, and even developed a painting tool category called the Convenience Painting Tool™ category. Our category of painting tools encompassed essentially every type of painting tool on the market, except for brushes and rollers. As such, I have substantial experience with paint container products. In 2000, Newell Rubbermaid purchased Shur-Line, and rolled Shur-Line into its "EZ Painter" division. I stayed on with Shur-Line as Vice President for three years, until leaving to join Meehan & Nolan Associates. While I was Vice President of Shur-Line, Shur-Line's success effectively caused the Newell Rubbermaid "EZ Painter" division to fold back into Shur-Line. As such, Shur-Line is now the named division of Newell Rubbermaid for painting accessories. See www.shurline.com.

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3. I first saw the HANDy Paint Pail container in 2002, prior to leaving Shur-Line. I believe that Mr. Bergman is very creative and that his invention of the HANDy Paint Pail container is very logical and simple. I believe the HANDy Paint Pail container has attained such a high level of commercial success because of two key features: (1) the strap for holding the container, and (2) the magnet for holding paint brushes within the container.

4. With respect to the strap, people who first try the HANDy Paint Pail container initially attempt to pick the container up by gripping the strap (like grabbing a coffee cup handle). Holding the container in this manner is somewhat awkward. However, once I show them how to properly hold the container (i.e., by sliding their hand between the strap and container) they respond with an "enlightened" reaction and immediately take to the product. The adjustability of the strap is also a key feature.

5. Based on my experience, I believe the HANDy Paint Pail container sold by Bercom is a great product that has attained a substantial level of commercial success. As mentioned above, I have had over two decades of experience with painting products, and when I first saw the HANDy Paint Pail container, I was skeptical about its viability as a product. However, as we brought the HANDy Paint Pail container to potential customers and then and showed them how the strap feature made handling a paint container so effortless, it was then well received. In fact, the level of commercial success attained by of the HANDy Paint Pail container is somewhat unique in the painting industry. It is very rare in the painting industry to see a single product attain such a level of commercial success, especially in such a short amount of time.

6. The HANDy Paint Pail container was also a big hit with The Sherwin-Williams company, which is the heart and core of the painting industry. Contractors and consumers view The Sherwin-Williams as a standard of high quality in the painting industry. Once representatives of The Sherwin-Williams company understood how to properly hold the HANDy Paint Pail container, they gave Bercom a chance to sell the HANDy Paint Pail container in their stores. Shortly after, the HANDy Paint Pail container became The Sherwin-Williams "2004 Product of the Year", which is a very prestigious award in the painting industry. When this

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product won the award, the President of The Sherwin-Williams stated that he loved the product and had never seen a single product hit such a home run in the painting industry.

7. The HANDy Paint Pail container also has several general features that are important to the painting industry. After attending numerous painting industry focus groups, the repeated message I have heard is that the painting industry wants products that provide quality results, quick results, and are easy to use. I believe the HANDy Paint Pail container achieves all three of these criteria.

I declare that all statements made herein of my own knowledge are true, and that all statements made on information and belief are believed to be true; and further, that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.


ALVIN PREYERDate: 4/20/2005